GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MA&UD Dept. – Amaravati Metro Rail Corporation - Permission to AMRC to borrow from HUDCO or any other banking institutions to an extent of Rs.1859.00 Crores in 3 years under the State Government guarantee - Accorded - Orders - Issued.

G.O.MS.No. 339 Dated: 26-12-2016

Read the following:-

(1) Govt. letter No. 36830/Bud/2016, MA & UD (Bud) Dept., dt. 26.11.2016.
(2) From the M.D., AMRC LetterNo.119/ AMRC/Admn/ 2016, Dated 29.11.2016.

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ORDER:-

The Managing Director, Amaravati Metro Rail Corporation, Vijayawada, in his letter 2nd cited, has informed that the total Project cost as projected in the DPR by the Delhi Metro Rail Corporation for development of Vijayawada Metro Rail Project with two corridors; i.e. (1) from PN Bus Station to Nidamanur –13.5 KMs and (2) PN Bus Station to Penamalur – 12.5 KM (Total length: 26.KM) has been worked out to an amount of Rs.7212.00 crores, out of which Govt of India will invest 20% ie. Rs.1163.00 Crore as its equity share, and Govt of AP will have to invest equal share of 20% i.e Rs.1163.00 Crore . The State Government equity is in addition to the Land Cost, R&R cost and State Taxes which shall also be borne by the State Government only. Therefore, balance project cost of Rs. 3489.00 Crore are to be borrowed. The Govt. of Andhra Pradesh share of Project cost is estimated as under:-

(Rupees in crores)

Sl.No	Object	Investment by GoAP
1	Investment towards equity contribution of 20%	1163.00
2	Land Acquisition, R&R	550.00
3	Establishment and other Charges of AMRC	100.00
4	Consultancy Charges of DMRC with 15% Service Tax	346.00
	Total cost to be incurred by GoAP	2159.00
	Less: Amount already released towards Land acquisition, R&R	300.00
	Requirement of funds for completion of the Project	1859.00 Or 1860.00

(P.T.O.)

The Managing Director, Amaraathi Metro Rail Corporation, Vijayawada has further informed that the above requirement of funds spreads over 4 (Four) years for execution of the project is as follows:

(Rupees in crores)

S.No.	Description	2016-17	2017-18	2018-19	2019-20	2020-21	Total
1	Land Acquisition	300.00	200.00	40.00	10.00	--	550.00
2	Equity Contribution –Works		400.00	400.00	350.00	13.00	1163.00
3	DMRC fees	50.00	90.00	90.00	90.00	26.00	346.00
4	Establishment & other Misc. Charges	2.00	24.00	24.00	25.00	25.00	100.00
	Total	352.00	714.00	554.00	475.00	64.00	1859.00 Or 1860.00

2. The Managing Director, Amaravathi Metro Rail Corporation, Vijayawada has therefore, requested the Government for according permission to obtain loan for the balance Project cost Rs.1860.00 Crore of State Government share from HUDCO or from any other Banking Institution which provides loan with lesser rate of interest. The Managing Director, AMRC., Vijayawada has also requested for according State Government sovereign guarantee for repayment of the Loan amount.

3. Government in the above circumstances, and after careful examination of the matter, hereby accord permission to the Managing Director, Amaravati Metro Rail Corporation, Vijayawada to borrow an amount of Rs.1859.00Cr. (Rupees One Thousand Eight Hundred And Fifty Nine Crore Only) from HUDCO or from any other
Banking Institution with lesser rate of interest for meeting the expenditure towards balance equity share of Government of Andhra Pradesh committed for the Vijayawada Metro Rail Project. Government also here by convey Sovereign Guarantee for repayment of loan of Rs.1859.00 Crore (Rupees One Thousand Eight Hundred and Fifty Nine Crore Only) .

4 . The Managing Director, Amaravati Metro Rail Corporation, Vijayawada shall initiate necessary further action for obtaining loan of Rs.1859.00 Cr (Rupees one thousand eight hundred and fifty nine crores only) from the HUDCO or any other Banking Institution which offers the said loan at lesser rate of interest, and finalize the terms and conditions mutually and send the draft loan agreement and other connected documents to Government for according necessary approvals for the Loan Agreement.

(Contd....p.3)

5. This orders issue with the concurrence of Finance Department, vide their U.O. No. 44027/352/2016, dt. 2.12.2016.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADEH)

R. KARIKAL VALAVEN
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director,
Amaravati Metro Rail Corporation,
Kausalya, Gummadi Gopala Rao Street,
Labbipeta, Vijayawada.

Copy to:-
(1) The Deputy General Manager (Law), HUDCO, India
Habitat Centre, Lodhi Road, New Delhi – 110 003.
(2) The Regional Chief, HUDCO, Vijayawada
(3) The P.S. to M(MA).
(4) The P.S. to Special Chief Secretary to Chief Minister.
(5) The P.S. to Chief Secretary to Government.
(6) The P.S to Special Chief Secretary to Govt. Finance Department.
(7) The P.S to Principal Secretary to Government, MA&UD
(8) The General Administration (Cabinet) Dept.
Sc/sf

// FORWARDED :: BY ORDER //

SECTION OFFICER